

TESTIMONY OF

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for the

UNITED STATES HOUSE OF REPRESENTATIVES

COMMITTEE ON ENERGY AND COMMERCE

SUBCOMMITTEE ON OVERSIGHT AND INVESTIGATIONS

“Sexual Exploitation of Children Over the Internet:

What Parents, Kids and Congress Need to Know

About Child Predators”

April 4, 2006

Mr. Chairman and distinguished members of the Committee, I welcome this opportunity to appear before you to discuss how the Internet is used to commit crimes against children. Chairman Whitfield, you are a tireless advocate for child protection and I commend you and your colleagues for your leadership and initiative. The National Center for Missing & Exploited Children (“NCMEC”) joins you in your concern for the safety of the most vulnerable members of our society and thanks you for bringing attention to this serious problem facing America’s communities.

Let me first provide you with some background information about the National Center for Missing & Exploited Children (NCMEC). NCMEC is a not-for-profit corporation, mandated by Congress and working in partnership with the U.S. Department of Justice as the national resource center and clearinghouse on missing and exploited children. NCMEC is a true public-private partnership, funded in part by Congress and in part by the private sector. Our federal funding supports specific operational functions mandated by Congress, including a national 24-hour toll-free hotline; a distribution system for missing-child photos; a system of case management and technical assistance to law enforcement and families; training programs for federal, state and local law enforcement; and our programs designed to help stop the sexual exploitation of children.

These programs include the CyberTipline, the “9-1-1 for the Internet,” which serves as the national clearinghouse for investigative leads and tips regarding crimes against children on the Internet. The Internet has become a primary tool to victimize children today, due to its widespread use and the relative anonymity that it offers child predators. Our CyberTipline is operated in partnership with the Federal Bureau of Investigation (“FBI”), the Department of Homeland Security’s Bureau of Immigration and Customs Enforcement (“ICE”), the U.S. Postal Inspection Service, the U.S. Secret Service, the U.S. Department of Justice’s Child Exploitation and Obscenity Section and the Internet Crimes Against Children Task

Forces, as well as state and local law enforcement. Leads are received in seven categories of crimes:

- **possession, manufacture and distribution of child pornography;**
- **online enticement of children for sexual acts;**
- **child prostitution;**
- **child-sex tourism;**
- **child sexual molestation (not in the family);**
- **unsolicited obscene material sent to a child; and**
- **misleading domain names.**

This last category was added as a result of enactment of the PROTECT Act in 2003.

These leads are reviewed by NCMEC analysts, who visit the reported sites, examine and evaluate the content, use search tools to try to identify perpetrators, and provide all lead information to the appropriate law enforcement agency. The FBI, ICE and Postal Inspection Service have “real time” access to the leads, and all three agencies assign agents and analysts to work directly out of NCMEC and review the reports. The results: in the 8 years since the CyberTipline began operation, NCMEC has received and processed more than 385,000 leads, resulting in hundreds of arrests and successful prosecutions.

However, despite our progress the victimization of children continues and there is evidence that it is increasing. The number of reports of online enticement of children to the CyberTipline increased 400 percent since 1998. Our records show a significant and steady increase in these reports over the years. This upward trend is very disturbing and shows the seriousness of this issue. But this is not the only evidence.

According to a recent study, one in five youth ages 10 to 17 who used the Internet regularly received a sexual solicitation over the Internet within the previous year. However, less than 10% of sexual solicitations were reported to authorities.¹ These numbers are powerful testimony to the fact that children are at risk and that we must do more.

Over the years as technology has evolved so, too, have the methods for victimizing children. The Internet has provided a veil of apparent anonymity, enabling predators to seek out children, win their confidence and then victimize them.

As technology evolves, so does the creativity of the predator. Today, we are hearing a great deal about new innovations, including the use of webcams, social networking websites and Internet access on cell phones.

These innovations are popular and are utilized by millions of Americans. Yet, as with every other new program or service, there are those who would use them inappropriately and for unlawful purposes.

For example, there has been great attention to the social networking websites. While they are marketed to and primarily utilized by young adults, kids are attracted as well, and there have been instances in which offenders have taken advantage of the images and information displayed to target kids.

Some of the social networking sites link defined communities of registered users, such as students attending a particular college or high school. Others are open to anyone over a certain age. These websites permit registered users to create an online profile, including photographs, with categories of interest such as music and sports, as well as an online journal. They are highly personalized and often extremely

¹ Finkelhor, David, Mitchell, Kimberly J. and Wolak, Janis, *Online Victimization: A Report on the Nation's Youth*, National Center for Missing & Exploited Children, 2000.

detailed. Children consider this to be an easy way to connect with friends, find new friends and share their thoughts and feelings.

However, child predators consider these sites to be an easy way to find child victims. They can use the information posted by children to pretend to be someone with shared interests, then develop a ‘cyber-relationship’ that can lead to that child being victimized. The number of reports involving online journals received by our CyberTipline has increased. In recent years, many kids were using their email profiles and chat rooms in a similar fashion to share their hobbies and interests and make “friends”. However, those forums didn’t have nearly the same implications as the social networking sites given the enormous universe of users. This recent phenomenon reinforces the importance of education messages where we engage teens to be a part of their own online safety.

Today, NCMEC is working with leaders in many industries who are involved in the burgeoning field of social networking in order to explore improvements, new approaches and better ways to attack the problems. Further, we are also working on plans to bring together key business, law enforcement, child advocacy, governmental and other interests and leaders to explore ways to more effectively address these new issues and challenges.

Webcams offer the exciting ability to see the person you’re communicating with over the Internet. While this has many benefits, such as allowing divorced parents to have “online visitation” with their children in distant states, it, too, can be used to exploit children. Many children are victimized inadvertently, by appearing on their webcams without clothes as a joke, or on a dare from friends, unaware that these images may end up in a global commercial child pornography enterprise. Other children are victims of blackmail, threatened with disclosure to friends and family if his or her ‘performance’ before the webcam doesn’t become more sexually explicit. Too much technology and too much privacy, at a sexually curious age, can lead to disastrous consequences.

The teenage years are a time of personal exploration. This is only natural. However, the new form of social interaction is over the Internet, exposing children to, literally, a world of potential danger.

Finally, let me briefly report to you on the exploding problem of child pornography via the Internet. Child pornography has become a global crisis. A recent report by McKinsey Worldwide estimated that today commercial child pornography is a \$20 billion industry worldwide, fueled by the Internet. Its victims are becoming younger. According to NCMEC data, 19% of identified offenders had images of children younger than 3 years old; 39% had images of children younger than 6 years old; and 83% had images of children younger than 12 years old. There is also strong evidence of increasing involvement by organized crime and extremist groups. Children have become a commodity in this insidious crime.

We are particularly concerned about the linkages between child pornography and the financial system. In a recent case investigators identified 70,000 customers paying \$29.95 per month and using their credit cards to access graphic images of small children being sexually assaulted.

That is just not acceptable. As a result we have convened a Financial Coalition Against Child Pornography. At this point it includes as members 18 major financial and Internet companies, including MasterCard, Visa, American Express, Bank of America, Citibank, Microsoft, America Online, Yahoo and many others. We are bringing new financial institutions into this Coalition every day.

Our goal: To eradicate commercial child pornography by 2008.

How are we going to do that? We are going to follow the money. First, we will aggressively seek to identify illegal child pornography sites with method of payment

information attached. Then we will work with the credit card industry to identify the merchant bank and stop the payment. Then we will shut down the sites.

In each case we will work hand-in-hand with federal, state, local or international law enforcement, and the first priority will be criminal prosecution. However, our fundamental premise is that it is impossible to arrest and prosecute everybody. Thus, our goal is twofold:

- (1) To increase the risk; and**
- (2) To eliminate the profitability.**

We have created working groups of industry leaders explore the best techniques for detection and eradication.

In addition, these companies have asked NCMEC to serve as the global clearinghouse for this effort, sharing information and working together on this effort in a truly collaborative way.

We need to do a better job as a nation of identifying and addressing the greatest risks to our children today.

NCMEC urges lawmakers, law enforcement and the public to take a serious look at the dangers threatening our children today, and to move decisively to minimize the risks posed by those who exploit new technology and target our children.

Now is the time to act.

Thank you.